

City of Detroit

CITY COUNCIL

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ANNE MARIE LANGAN
DEPUTY DIRECTOR
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TO: Pamela Scales, Director
Budget Department

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: April 29, 2009

RE: 2009-2010 Budget Analysis

24.

Attached is our budget analysis regarding your department's budget for the upcoming 2009-2010 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Wednesday, May 6, 2009 at 1:30 p.m.** We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Joseph Harris, Chief Financial Officer
Donna McAlister, Budget Manager
Arese Robinson, Mayor's Office

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Budget Department (12)

FY 2009-2010 Budget Analysis by the Fiscal Analysis Division

Summary

The Budget Department is a General Fund Agency. The Mayor's 2009-2010 Proposed Budget includes appropriations of \$2,650,666, which is a decrease of \$200,321 or 7.0% from fiscal year 2008-2009 budget of \$2,850,987. The Department's net tax cost recommended for next year is \$2,650,666, \$200,321 less than the budgeted net tax cost of \$2,850,987 for the current year.

2008-2009 Surplus/(Deficit)

The surplus for the Budget Department is \$68,166 for fiscal year 2008-2009. The surplus amount is due to departmental vacancies.

Overtime

The Mayor's 2009-2010 Proposed Budget includes overtime salaries of \$12,790, which is a decrease of \$5,960 or 31.8% from fiscal year 2008-2009 budget of \$18,750. As of March 31, 2009, the Budget Department has spent \$7,249 in overtime.

Budget (12)

<u>Budgeted Professional and Contractual Services by Activity</u>	<u>FY 2008-09 Budget</u>	<u>FY 2009-10 Recommended</u>	<u>Increase (Decrease)</u>
Budget Operations	\$ -	\$ 5,000	\$ 5,000
Total	\$ -	\$ 5,000	\$ 5,000

Personnel and Turnover Savings

There are no projected personnel or turnover savings for this department.

<u>Appropriation/Program</u>	<u>Redbook Positions FY 2008-09</u>	<u>Filled Positions 3/31/2009</u>	<u>Mayor's Budget Positions FY 2009-10</u>	<u>Over/(Under) Actual to 07/08 Budget</u>	<u>Mayor's Recommended Turnover</u>
Budget (12):					
00226 Budget Department Operations	<u>24</u>	<u>22</u>	<u>22</u>	<u>(2)</u>	<u>\$ -</u>
TOTAL	<u>24</u>	<u>22</u>	<u>22</u>	<u>(2)</u>	<u>\$ -</u>

Proposed Layoffs and Position Changes

The Mayor's 2009-2010 Proposed Budget does not include any layoffs for the Budget Department. The budget recommends a decrease of two full-time vacant positions in the Budget Department.

Significant Funding by Appropriation

<u>Appro.</u>	<u>Program</u>	
00226	Budget Department Operations	The Mayor's 2009-2010 Proposed Budget includes \$2,650,666 for appropriations. This reflects a decrease of \$200,321 or 7.0% from the 2008-2009 Budget of \$2,850,987. The decrease is primarily due to the 10% reduction in salaries for non-union employees, and the loss of two vacant positions.

Issues and Questions

- 1) Why is the Budget Department turning over the telecommunications management to the Finance Department Accounts Payable Section? Will the Budget Department monitor the Accounts Payable Section's oversight of the City's telecommunications?
- 2) Budget Department states that it is in the process of revising the Travel Directive. Where is the Department in the process, and what is the estimated date of completion and implementation of the new directive?
- 3) The Budget Department states that it is considering switching from BRASS (Budget Reporting and Analysis Support System) to Oracle Public Sector Budgeting (PSB). What is the cost associated with the new system?
- 4) Department lists as a long-term goal the integration of the Geographic Information System (GIS) into the Department's processes. How will GIS be integrated into the Department's processes? Is the Department currently using any aspects of GIS in its present operation? What is the timeframe for implementing GIS into the Department's processes and which processes will be integrated?
- 5) Please provide a copy of budget directives issued over the last year.
- 6) Please provide a five-year forecast.